CPMG / KA / BG-GPO/13/2003-2005



ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು

ಸಂಪುಟ ೧೪೦	ಬೆಂಗಳೂರು, ಗುರುವಾರ, ಮಾರ್ಚ್ ೩, ೨೦೦೫ (ಫಾಲ್ಗುಣ ೧೨, ಶಕ ವರ್ಷ ೧೯೨೬)	ಸಂಚಿಕೆ ೯

ಭಾಗ - ೪

ಕೇಂದ್ರದ ವಿಧೇಯಕಗಳು ಮತ್ತು ಅವುಗಳ ಮೇಲೆ ಪರಿಶೀಲನಾ ಸಮಿತಿಯ ವರದಿಗಳು, ಕೇಂದ್ರದ ಅಧಿನಿಯಮಗಳು ಮತ್ತು ಅಧ್ಯಾದೇಶಗಳು, ಕೇಂದ್ರ ಸರ್ಕಾರದವರು ಹೊರಡಿಸಿದ ಸಾಮಾನ್ಯ ಶಾಸನಬದ್ಧ ನಿಯಮಗಳು ಮತ್ತು ಶಾಸನಬದ್ಧ ಆದೇಶಗಳು ಮತ್ತು ರಾಷ್ಟ್ರಪತಿಯವರಿಂದ ರಚಿತವಾಗಿ ರಾಜ್ಯ ಸರ್ಕಾರದವರಿಂದ ಪುನಃ ಪ್ರಕಟವಾದ ಆದೇಶಗಳು.

ಸಂಸದೀಯ ವ್ಯವಹಾರಗಳು ಮತ್ತು ಶಾಸನ ರಚನೆ ಸಚಿವಾಲಯ

ಅಧಿಸೂಚನೆ ಸಂಖ್ಯೆ: ಸಂವ್ಯಶಾಇ 4 ಕೇಶಾಪ್ರ 2005, ಬೆಂಗಳೂರು, ದಿನಾಂಕ: 29ನೇ ಜನವರಿ 2005

2005ನೇ ಸಾಲಿನ ಡಿಸೆಂಬರ್ 29ನೇ ದಿನಾಂಕದ ಭಾರತದ ಸರ್ಕಾರದ ಗೆಜೆಟ್‌ನ ವಿಶೇಷ ಸಂಚಿಕೆಯ ಭಾಗ-II ಸೆಕ್ಷನ್ 1 ರಲ್ಲಿ ಪ್ರಕಟವಾದ ಈ ಕೆಳಕಂಡ The Pension Fund Regulations and Development Authority Ordinance. 2004ನ್ನು ಸಾರ್ವಜನಿಕರ ಮಾಹಿತಿಗಾಗಿ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಪತ್ರದಲ್ಲಿ ಮರು ಪ್ರಕಟಿಸಲಾಗಿದೆ.

MINISTRY LAW AND JUSTICE

(Legislative Department)

New Delhi, 29th December, 2004/Pausa 8, 1926 (Saka)

THE PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY ORDINANCE, 2004

No.8 of 2004

Promulgated by the President in the Fifty-fifth Year of the Republic of India.

An Ordinance to provide for the establishment of an Authority to promote old age income security by establishing, developing and regulating pension funds, to protect the interests of subscribers to schemes of pension funds and for matters connected therewith or incidental thereto.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:-

CHAPTER-I

PRELIMINARY

1. Short title, extent and commencement.- (1) This Ordinance may be called the Pension Fund Regulatory and Development Authority Ordinance, 2004.

(2) It extends to the whole of India.

(3) It shall come into force at once.

2. Definitions.- (1) In this Ordinance, unless the context otherwise requires,-

(a) "Authority" means the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3;

(b) "central recordkeeping agency" means an agency registered under section 24 to perform the functions of recordkeeping, accounting, administration and customer service for subscribers to schemes;

(c) "Chairperson" means the Chairperson of the Authority;

(d) "Individual pension account" means an account of a subscriber, executed by a contract setting out the terms and conditions under the New Pension System;

(e) "intermediary" includes pension fund, central recordkeeping agency, pension fund adviser, retirement advisor, point of presence and such other person or entity connected with collection, management, record keeping and distribution of accumulations;

(f) "member" means a member of the Authority and includes its Chairperson;

(g) "New Pension System" means an the contributory pension system referred to in section 20 whereby contributions from a subscriber are collected in an individual pension account using points of presence and central recordkeeping agency and accumulated by pension funds for pay offs as specified by regulations;

(h) "notification" means a notification published in the Official Gazette;

(i) "pension fund" means an entity registered with the Authority under sub-section (3) of section 24 as a pension fund for receiving contributions, accumulating them and making payments to the subscriber in the manner specified by regulations;

(f) "Pension Regulatory and Development Fund" means the fund constituted under sub-section (1) section 37;

(k) "point of presence" means an entity registered with the Authority under sub-section (3) of section 24 as a point of presence and capable of electronic connectivity with the central recordkeeping agency for the purposes of receiving and transmitting funds and instructions and pay out of funds;

(l) "prescribed" means prescribed by rules made under this Ordinance;

(m) "regulated assets" means the assets and properties, both tangible and intangible, owned, leased or developed by and other rights belonging to, the central recordkeeping agency;

(n) "regulations" means regulations made by the Authority under this Ordinance;

(o) "scheme" means a scheme of pension fund approved by the Authority under this Ordinance;

(p) "Securities Appellate Tribunal" means a Securities Appellate Tribunal established under sub-section (1) of section 15K of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(q) "subscriber" includes a person who subscribes to a scheme of a pension fund;

(r) "Subscriber Education and Protection Fund" means the fund constituted under sub-section (1) of section 38;

(2) Words and expressions used and not defined in this Ordinance, but defined in-

(i) the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(ii) the Securities Contracts (Regulation) Act, 1956 (42 of 1956);

(iii) the Companies Act, 1956 (1 of 1956); and

(iv) the Insurance Act, 1938 (2 of 1938),

shall have the meanings respectively assigned to them under those Acts.

CHAPTER-II

PENSION FUND REGULATORY AND DEVELOPMENT AUTHORITY

3. Establishment and incorporation of Authority.- (1) With effect from such date as the Central Government may, by notification, appoint, there shall be established, for the purposes of this Ordinance, an Authority to be called the Pension Fund Regulatory and Development Authority.

(2) The Authority shall be a body corporate by the name aforesaid, having prepetual succession and a common seal with power, subject to the provisions of this Ordinance, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall, by the said name, sue or be sued.

(3) The head office of the Authority shall be in the National Capital Region referred to in clause (f) of section 2 of the National Capital Region Planning Board Act, 1985 (2 of 1985).

(4) The Authority may establish offices at other places in India.

4. Composition of Authority.- The Authority shall consist of a Chairperson and not more than five members, of whom at least three shall be whole-time members, to be appointed by the Central Government from amongst persons of ability, integrity and standing and having experience and knowledge in economics, finance, law or administrative matters with at least one perosn from each discipline.

5. Term of office and conditions of service of Chairperson and members of Authority.- (1) The Chairperson and every whole-time member shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson after he has attained the age of sixty-five years:

Provided further that no person shall hold office as a whole-time member after he has attained the age of sixty-two years.

(2) A part-time member shall hold office as such for a term not exceeding five years from the date on which he enters upon his office.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), a member may-

(a) relinquish his office, by giving in writing to the Central Government, a notice of not less than thirty days; or

(b) be removed from his office in accordance with the provisions of section 6.

6. Removal of members from office.- (1) The Central Government may remove from office the Chairperson or any other member who-

(a) is, or any time has been adjudged as insolvent; or

(b) has become physically or mentally incapable of acting as a member; or

(c) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or

(d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or

(e) has, in the opinion of the Central Government, so abused his position as to render his continuance in office detrimental to the public interest.

(2) No such Chairperson or other member shall be removed under clause (d) or clause (e) of sub-section (1) unless he has been given a reasonable opportunity of being heard in the matter.

7. Salary and allowances of Chairperson and members.- (1) The salary and allowances payable to, and other terms and conditions of service of, the members other than part-time members shall be such as may be prescribed.

(2) The part-time members shall receive such allowances as may be prescribed.

(3) The salary, allowance and other conditions of service of a member shall not be varied to his disadvantage after his appointment.

8. Bar on future employment of members.- The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the pervious approval of the Central Government, accept-

(a) any employment either under the Central Government or under any State Government; or

(b) any appointment in any regulated entity in the pension sector.

9. Administrative powers of Chairperson.- The Chairperson shall have the powes of general superintendence and direction in respect of all administrative matters of the Authority.

10. Meetings of the Authority.- (1) the authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including quorum at such meetings) as may be provided by regulations.

(2) The Chairperson or, if for any reason, he is unable to attend a meeting of the Authority, any other member chosen by the members present from amongst themselves at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes by the members present and voting, and in the event of an equality of votes, the Chairperson or in his absence, the person presiding shall have a second or casting vote.

(4) If any member, who is a director of a company and who as such director, has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Authority, he shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and such disclosure shall be recorded in the proceedings of the Authority, and the member shall not take part in any deliberation or decision of the Authority with respect to that matter.

(5) The Authority may make regulations for the transaction of business at its meetings.

11. Vacancies etc. not to invalidate proceedings of the Authority.- No act or proceeding of the Authority shall be invalid merely by reason of-

(a) any vacancy in, or any defect in the constitution of, the Authority; or

(b) any defect in the appointment of a person acting as a member of the Authority; or

(c) any irregularity in the procedure of the Authority not affecting the merits of the case.

12. Officers and employees of the Authority.- (1) The Authority may appoint such officers and other employees as it considers necessary for the efficient discharge of its functions under this Ordinance.

(2) The terms and other conditions of service of officers and other employees of the Authority appointed under sub-section (1) shall be such as may be determined by regulations.

CHAPTER-III

EXTENT AND APPLICATION

13. Extent and Application.- (1) This Ordinance shall apply to-

(a) the New Pension System;

(b) any other pension scheme not regulated by any other enactment.

(2) Every pension scheme referred to in clause (b) shall conform to the regulations made by the Authority within such time as may be specified in the regulations.

(3) Notwithstanding anything contained in sub-section (1), the provisions of this Ordinance shall not apply to-

(a) the schemes or funds under-

(i) the Emplyees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952);

(ii) the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948);

(iii) the Assam Tea Plantations Provident Fund and Pension Fund Scheme Act, 1955 (Assam Act X of 1955);

(iv) the Jammu and Kashmir Employees' Provident Fund Act, 1961 (Jammu and Kashmir Act XV of 1961);

(v) the Seamen's Provident Fund Act, 1966 (4 of 1966);

(b) contracts referred to in sub-section (11) of section 2 of the Insurance Act, 1938 (4 of 1938);

(c) any other pension scheme, which the Central Government may, by notification, exempt from the application of this Ordinance;

(d) persons appointed before the 1st day of January, 2004 to public services in connection with the affairs of the Union, or to All-India Services constituted under section 2A of the All-India Services Act, 1951 (61 of 1951);

(e) persons appointed to public services in connection with the affairs of any State, or such Union territories as may be specified by notification by the Central Government.

(4) Notwithstanding anything contained in sub-section (3), any State Government may, by notification, extend the New Pension System to its employees.

(5) Any person governed under any of the schemes or funds referred to in sub-section (3) may, at his option, join the New Pension System.

CHAPTER-IV

DUTIES, POWERS AND FUNCTIONS OF AUTHORITY

14. Duties, powers and functions of Authority.- (1) Subject to the provisions of this Ordinance and any other law for the time being in force, the Authority shall have the duty, to regulate, promote and ensure orderly growth of the New Pension System and pension schemes to which this Ordinance applies and, to protect the interests of subscribers of such System and schemes.

(2) Without prejudice to the generality of the provisions contained in sub-section (1), the powers and functions of the Authority shall include-

(a) regulating the New Pension System and the pension schemes to which this Ordinance applies;

(b) approving schemes, the terms and conditions thereof and laying down norms for the management of the corpus of the pension funds, including investment guidelines under such schemes;

(c) registering and regulating intermediaries;

(d) issuing to an intermediary, on application, a certificate of registration and renewing, modifying, withdrawing, suspending or cancelling such registration;

(e) protecting the interests of subscribers to the pension funds;

(f) establishing mechanism for redressing grievances of subscribers to be determined by regulations;

(g) promoting professional organisations connected with the pension system;

(h) adjudication of disputes between intermediaries and between intermediaries and subscribers;

(i) collecting data and requiring the intermediaries to collect such data and undertaking and commissioning studies, research and projects;

(j) undertaking steps for educating subscribers and the general public on issues relating to pension, retirement savings and related issues and training of intermediaries;

(k) standardising dissemination of information about performance of pension funds and performance bench marks;

(l) regulating the regulated assets;

(m) levying fees or other charges for carrying out the purposes of this Ordinance;

(n) specifying by regulations the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries;

(o) calling for information from, undertaking inspection of, conducting inquiries and investigations including audit of, intermediaries and other entities or organisations connected with pension funds;

(p) exercising such other powers and functions as may be prescribed.

(3) Notwithstanding anything contained in any other law for the time being in force, while exercising the powers under clause (o) of sub-section (2), the Authority shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit, in respect of the following matters, namely:-

(i) the discovery and production of books of account and other documents, at such place and at such time as may be specified by the Authority;

(ii) summoning and enforcing the attendance of persons and examining them on oath;

(iii) inspection of any books, registers and other documents of any person or entity referred to in section 24, at any place;

(iv) issuing commissions for the examination of witnesses or documents;

(v) any other matter which may be prescribed.

(4) Without prejudice to the provisions contained in sub-sections (1), (2) and (3) and section 15, the Authority may, by order, for reasons to be recorded in writing, in the interests of subscribers, take any of the following measures, either pending investigation or inquiry, namely:-

(i) restrain persons from participating in any scheme;

(ii) restrain any office bearer of an intermediary from acting as such;

(iii) impound and retain the proceeds under the scheme in respect of any activity which is under investigation;

(iv) attach, after passing an order, on an application made for approval, by the judicial Magistrate of the first class having jurisdiction, for a period not exceeding one month, one or more bank account or accounts of any intermediary or any person asociated with the scheme in any manner involved in violation of any of the provisions of this Ordinance or the rules or the regulations made thereunder:

Provided that only the bank account or accounts or any transaction entered therein, relating to the proceeds actually involved in the violation of any of the provisions of this Ordinance or the rules or the regulations made thereunder shall be allowed to be attached;

(v) direct any intermediary or any person associated with the scheme in any manner not to dispose of or alienate an asset forming part of any activity which is under investigation:

Provided that the Authority shall, either before or after, passing such orders, under this section, give to such intermediaries or persons concerned an opportunity of being heard.

15. Power to issue directions.- Save as otherwise provided in section 14, if after making, or causing to be made, an inquiry, the Authority is satisfied that it is necessary-

(i) in the interests of subscribers or orderly development of New Pension System or a pension scheme to which this Ordinance applies; or

(ii) to prevent the affairs of any intermediary or other persons or entities referred to in section 24 being conducted in a manner detrimental to the interests of subscribers; or

(iii) to secure the proper management of any such intermediary or person or entity,

it may issue such directions to such intermediaries or entities or to any person or class of persons referred to in section 24, or associated with the pension fund, as it may deem fit:

Provided that the Authority shall, either before or after passing such orders, give an opportunity of hearing to such intermediaries, entitles or persons concerned.

16. Powers of investigation.- (1) Where the Authority has a reasonable ground to believe that-

(a) the activities of the pension fund are being conducted in a manner detrimental to the interest of the subscriber; or

(b) any intermediary or any person associated with the schemes of the pension fund has violated any of the provisions of this Ordinance or the rules or the regulations made or directions issued by the Authority thereunder,

it may, at any time, by order in writing, direct any person (hereafter in this section referred to as the investigating Authority) specified in the order to investigate the affairs of such intermediary or persons associated with the pension fund and the report thereon to the Authority.

(2) Without prejudice to the provisions of sections 235 to 241 of the Companies Act, 1956, (1 of 1956) it shall be the duty of every manager, mannaging director, officer and other employee of the company, in case of a company and every intermediary referred to in section 24 or every person associated with the pension fund to preserve and to produce to the Investigating Authority or any person authorised by him in this behalf, all the books, registers, other documents and record of, or relating to, the company or as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

(3) The Investigating Authority may require any itnermediary or any person associated with the pension fund in any manner to furnish such information to, or produce such books, or other documents, or record before him or any person authorised by him in this behalf as he may consider necessary if the furnishing of such information or the production of such books, or rigister, or other documents, or record is relevant or necessary for the purposes of its investigation.

(4) The Investigating Authority may keep in its custody any books, registers, other documents and record produced under sub-section (2) or sub-section (3) for six months and thereafter shall return the same to any intermediary or any person associated with the pension fund by whom or on whose behalf the books, registers, other documents and record are produced:

Provided that the Investigating Authority may call for any book, register, other documents and record if they are needed again:

Provided further that if the person on whose behalf the books, registers, other documents and record are produced requires certified copies of the books, registers, other documents or record produced before the Investigating Authority, it shall give certified copies of such books, registers, other documents or, as the case may be, record to such person or on whose behalf the books, registers, other documents and record were produced.

(5) Any person, directed to make an investigation under sub-section (1), may examine on oath any intermediary or any person associated with the pension fund in any manner, in relation to the affairs of his business and may administer an oath accordingly and for that purpose may require any of those persons to appear before him personally.

(6) If any person fails without reasonable cause or refuses-

(a) to produce to an Investigating Authority or any person authorised by him in this behalf any book, register, other document or record which it is his duty under sub-section (1) or sub-section (3) to furnish; or

(b) to furnish any information which it is his duty under sub-section (3) to furnish; or

(c) to appear before the Investigating Authority personally when required to do so under sub-section (5) or to answer any question which is put to him by the Investigating Authority in pursuance of that sub-section; or

(d) to sign the notes of any examination referred to in sub-section (7);

he shall be punishable with imprisonment for a term which may extend to one year, or with fine, which may extend to twenty five crore rupees, or with both, and also with a further fine which may extend to ten lakh rupees for every day after the first day during which the failure or refusal continues.

(7) Notes of any examination under sub-section (5) shall be taken down in writing and shall be read over to, or by, and signed by, the person examined, and may thereafter be used in evidence against him.

17. Search and seizure.- (1) Where the Authority, in consequence of information in its possession, has reason to believe that-

(a) any person who has been required under sub-section (3) of section 16 to produce, or cause to be produced, any books, accounts or other documents in his custody or power has omitted or failed to produce, or cause to be produced, such books, accounts or other documents; or

(b) any person to whom a requisition to produce any books, accounts or other documents as aforesaid has been or might be issued will not, or would not, produce or cause to be produced, any books, accounts or other documents which will be useful for, or relevant to, an investigation under sub-section (1) of section 16; or

(c) a contravention of any provision of this Ordinance has been committed or is likely to be committed by an intermediary, or

(d) any claim which is due to be settled by the intermediary, has been or is likely to be rejected or settled at a figure higher than a reasonable amount, or

(e) any claim which is due to be settled by an intermediary, has been or is likely to be rejected or settled at a figure lower than a reasonable amount, or

(f) any illegal fees and charges have been transacted or are likely to be transacted by an intermediary, or

(f) any books, accounts, papers, receipts, vouchers, survey reports or other documents, belonging to an intermediary are likely to be tampered with, falsified or manufactured,

it may authorise any officer of the Authority, not below the rank equivalent to that of a Gazetted Officer of the Government (hereafter referred to as the authorised officer), to-

(i) enter and search any building or place where he has reason to suspect that such books, accounts or other documents, or any books or papers relating to any claim, rebate or commission or any receipts, vouchers, reports or other documents are kept;

(ii) break open the lock of any box, locker, safe, almirah or other receptacle for exercising the powers conferred by clause (i) where the keys thereof are not available.

(iii) seize all or any such books, accounts or other documents, found as a result of such search;

(iv) place marks of identification on such books, accounts or other documents or make or cause to be made extracts or copies therefrom.

(2) The authorised officer may requisition the services of any police officer or of any officer of the Central Government, or of both, to assist him for all or any of the purposes specified in sub-section (1) and it shall be the duty of every such police officer or officer to comply with such requisition.

(3) The authorised officer may, where it is not practicable to seize any such book, account or other document, specified in sub-section (1), serve an order on the person who is in immediate possession or control thereof that he shall not remove, part with or otherwise deal with it except with the previous permission of such officer and such officer may take such steps as may be necessary for ensuring compliance with this sub-section.

(4) The authorised officer may, during the course of the search or seizure, examine on oath any person who is found to be in possession or control of any books, accounts or other documents, and any statement made by such person during such examination may thereafter be used in evidence in any proceeding under this Ordinance.

(5) The books, accounts, papers, receipts, vouchers, reports, or other documents seized under sub-section (1) shall not be retained by the authorised officer for a period exceeding one hundred and eighty days from the date of the seizure unless the reasons for retaining the same are recorded by him in writing and the approval of the Authority for such retention is obtained:

Provided that the Authority shall not authorise the retention of the books, accounts, papers, receipts, vouchers, reports, or other documents for a period exceeding thirty days after all the proceedings under this Ordinance, for which the books, accounts, papers, receipts, vouchers, reports, or other documents are relevant, are completed.

(6) The person from whose custody the books, accounts, papers, receipts, vouchers, reports, or other documents are seized under sub-section (1) may make copies thereof, or take extracts there from,

in the presence of the authorised officer or any other person empowered by him in this behalf at such place and time as the authorised officer may appoint in this behalf.

(7) If a person legally entitled to the books, accounts, papers, receipts, vouchers, reports or other documents seized under sub-section (1) objects for any reason to the approval given by the Authority under sub-section (5), he may make an application to the Central Government stating therein the reason for such objection and requesting for the retum of the books, accounts, papers, receipts, vouchers, report or other documents.

(8) On receipt of the application under sub-section (7), the Central Government may, after giving the applicant an opportunity of being heard, pass such order as it thinks fit.

(9) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974) relating to searches and seizures shall apply, so far as may be, to every search and seizure made under sub-section (1).

(10) The Central Government may, by notification, make rules in relation to any search or seizure under this section and in particular, and without prejudice to the generality of the foregoing power, such rules may provide for the procedure to be followed by the authorised officer,-

(i) for obtaining ingress into such building or place to be searched where free ingress thereto is not available;

(ii) for ensuring safe custody of any books, accounts, papers, receipts vouchers, reports, or other documents seized under this section.

18. Power of Authority to ensure compliance.- If the Authority finds, after causing an inquiry to be made, that any person has violated, or is likely to violate, any provisions of this Ordinance, or any rule or regulation made thereunder, the Authority may pass an order requiring such person to cease and desist from committing or causing such violation.

19. Management by Administrator.- (1) If at any time the Authority has reason to believe that the central recordkeeping agency or pension fund is acting in a manner likely to be prejudicial to the interests of subscribers, it may, after giving the central recordkeeping agency or pension fund, as the case may be, an opportunity of being heard, make a report thereon to the Central Government.

(2) If the Central Government, after considering the report made under sub-section (1) is of the opinion, that it is necessary or proper to do so, it may appoint an Administrator to manage the affairs of the central recordkeeping agency or pension fund, as the case may be, under the direction and control of the Authority, in such manner as may be specified by notification.

CHAPTER-V
NEW PENSION SYSTEM

20. New Pension System.- The contributory pension ststem notified by the Government of India in the Ministry of Finance vide notification number F.No.5/7/2003-ECB & PR dated the 22nd December, 2003, as amended from time to time, and having the following basic features, shall, form the New Pension System under this Ordinance, namely:-

(a) every subscriber shall have an individual pension account;

(b) the functions of recordkeeping, accounting and switching of options by the subscriber shall be effected by the central recordkeeping agency;

(c) there shall be a chice of multiple pension fund managers and muitiple schemes;

(d) there shall be portability of individual pension accounts in case of change of employment;

(e) collection and transmission of contributions and instructions shall be through points of presence to the central recordkeeping agency;

(f) there shall not be any implicit or explicit assurance of benefits except market based guarantee mechanism to be purchased by the subscriber;

(g) a subscriber shall not exit from the New Pension System except as specified by the Central Government by, notification;

(h) at exit, the subscriber shall purchase an annuity from a life insurance company as specified under the New Pension System.

21. Central recordkeeping agency.- (1) The Authority shall, by granting a certificate of registration under sub-section (3) of section 24, appoint a central recordkeeping agency:

Provided that the Authority may, in public interest, appoint more than one central recordkeeping agency.

(2) The central recordkeeping agency shall be responsible for receiving funds and instructions from subscribers through the points of presence, transmitting such instructions and transferring such funds to pension funds, effecting switching instructions received from subscribers and discharging such other duties and functions, as may be assigned to it under the certificate of registration or as may be determined by regulations.

(3) All the assets and properties owned, leased or developed by the central recordkeeping agency, shall constitute regulated assets and upon expiry of certificate of registration or earlier revocation thereof, the Aughority shall be entitled to appropriate and take over the regulated assets, either by itself or through an administrator or a person nominated by it in this behalf:

Provided that the central recordkeeping agency shall be entitled to be compensated the fair value, to be ascertained by the Authority, of such regulated assets as determined by regulations:

Provided further that where the earlier revocation of the certificate of registration is based on violation of the conditions in the certificate of registration or the provisions of this Ordinance or regulations, unless otherwise determined by the Authority, the central recordkeeping agency shall not be entitled to claim any compensation in respect of such regulated assets.

22. Point of presence.- (1) The Authority may, by granting a certificate of registration under sub-section (3) of section 24, permit one or more persons to act as a point of presence or points of presence for the purpose of receiving contributions and instruictions, transmitting them to the central record keeping agency and paying out benefits to subscribers in accordance with the regulations made by the Authority from time to time in this regard.

(2) A point of presence shall function in accordance with the terms of its certificate of registration and the regulations made under this Ordinance.

23. Pension funds.- (1) The Authority may, by granting a certificate of registration under sub-section (3) of section 24, permit one or more persons to act as a pension fund for the purpose of receiving contributions, accumulating them and making payments to the subscriber in such manner as may be specified by regulations.

(2) The number of pension funds shall be determined by regulations and the Authority may, in public interest, vary the number of pension funds.

(3) The pension fund shall function in accordance with the terms of its certificate of registration and the regulations made under this Ordinance.

(4) The pension fund shall manage the schemes in accordance with the regulations.

CHAPTER-VI
REGISTRATION OF INTERMEDIARIES

24. Registration of central recordkeeping agency, pension fund, point of presence, etc.,.- (1) No intermediary, including a pension fund or a point of presence to the extent regulated under this Ordinance, shall commence any activity relating to a pension fund except under and in accordance with the conditions of a certificate of registration granted by the Authority in accordance with provisions of this Ordinance and the regulations:

Provided that any intermediary, including any point of presence, who may be associated with a scheme of pension fund immediately before the establishment of the Authority for which no registration certificate was necessary prior to such establishment, may continue to do so for a period of three months from such establishment or, if he has made an application for such registration within the said period of three months till the disposal of such application.

(2) Every application for grant of a certificate of registration under this Ordinance shall be in such form and manner and shall be accompanied by such fees as may be determined by regulations;

(3) The Authority may, after considering the application and subject to such terms and conditions as it may specify, grant a certificate of registration as a central record keeping agency, point of presence, pension fund or such other intermeidary, as the case my be.

(4) The Authority may, by order, suspend or cancel a certificate of registration granted under sub-section (3) in such manner as may be determined by regulations:

Provided that no order under this sub-section shall be made unless the person concerned has been given a reasonable opportunity of being heard.

CHAPTER-VII
PENALTIES AND ADJUDICATION

25. Penalty for failure by an intermediary or any other person to comply with provisions of the Act, rules, regulations and directions.- (1) Any person, who is required under this Ordinance or any rules or regulations made thereunder,-

(a) to obtain a certificate of registration from the Authority for carrying on any activity under this Ordinance, carries on such activities without obtaining such certificate of registration, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less;

(b) to comply with the terms and conditions of certificate of registration fails to do so, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or one crore rupees, whichever is less;

(c) to furnish any information, document, books, returns or report to the Authority, fails to furnish the same within the time specified by the Authority, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher;

(d) to maintain books of accounts or records, fails to maintain the same, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues of five times the amount of profits made or losses avoided, whichever is higher.

(2) If any person, who is required under this Ordinance or any rules or regulations made thereunder, to enter into an agreement with his client, fails to enter into such agreement, he shall be liable to a penalty of one lakh rupees for each day during which the failure continues or five times the amount of profits made or losses avoided, whichever is higher.

(3) If any intermediary registered with the Authority, after having been called upon by the Authority, in writing, to redress the grievances of subscribers, fails to redress such grievances within the time stipulated by the Authority, he shall be liable to a penalty of not more than one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(4) If any person, who is registered under this Ordinance as an intermediary, fails to segregate moneys of the client or clients or uses the moneys of a client or clients for self or for any other client, he shall be liable to a penalty not exceeding one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

(5) Whoever fails to comply with any provision of this Ordinance, the rules or the regulations made or the directions issued by the Authority under the provisions of this Ordinance for which no separate penalty has been provided, he shall be liable to a penalty which may extend to one crore rupees or five times the amount of profits made or losses avoided, whichever is higher.

26. Crediting sums realised by way of penalities to Subscriber Education and Protection Fund.- All sums realised by way of penalties under this Ordinance shall be credited to the Subscriber Education and Protection Fund established under sub-section (1) of section 38.

27. Power to adjudicate.- (1) For the purposes of adjudging under section 25, the Authority shall appoint any of its officers not below the rank specified by regulations to be an adjudicating officer for holding an inquiry as determined by regulations, after giving the person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

(2) While holding an inquiry, the adjudicating officer shall have the power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which, in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the matters referred to in section 25, he may recommend such penalty as he thinks fit in accordance with the provisions of that section, to the member in charge of investigation and surveillance.

(3) The penalty shall be imposed by a member other than the member in charge of investigation and surveillance:

Provided that while adjudging the quantum of penalty under section 25, the member shall have due regard to the following factors, namely:-

(a) amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) amount of loss caused to a subscriber or group of subscribers; and

(c) the repetitive nature of the default.

28. Attachment of assets and supercession of management of intermediary.- (1) Any person aggrieved may apply to the Authority for an interim measure or protection in respect of any of the following matters, namely:-

(a) the detention, preservation, interim custody or sale of any asset or property which is regulated by the provisions of this Ordinance;

(b) securing any pension funds, monies and other assets and properties owned by or under the control of the pension fund;

(c) interim injunction or appointment of an administrator; and

(d) such other interim measures as may appear to the Authority to be just and necessary,

and the Authority shall have power to make such order including an order for attachment of assets of the pension fund as it deems fit in this regard.

(2) Where, on a complaint received by the Authority or suo motu, the Authority, after conducting an enquiry comes to a conclusion that the governing board or board of directors, by whatever name called, or the persons in control of any intermediary to the extent regulated under this Ordinance are indulging in any activity which is in contravention of the provisions of this Ordinance or regulations, it may supersede the governing board or board of directors or management of the intermediary in accordance with the provisions of the regulations.

29. Offences.- (1) Without prejudice to any award of penalty by the member under this Ordinance, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Ordinance or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine, which may extend to twenty five crore rupees or with both.

(2) If any person fails to pay the penalty imposed by the member or fails to comply with any of the directions or orders issued by the member, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years, or with fine, which may extend to twenty-five crore rupees, or with both.

30. Power to grant immunity.- (1) The Central Government may, on the recommendation by the Authority, if satisfied, that any eprson, who is alleged to have violated any of the provisions of this Ordinance or the rules or the regulations made thereunder, has made a full and true disclosure in respect of alleged violation, grant to such person, subject to such conditions as it may think fit to impose, immunity from prosecution for any offence under this Ordinance, or the rules or the regulations made thereunder and also from the imposition of any penalty under this Ordinance with respect to the alleged violation:

Provided that no such immunity shall be granted by the Central Government in cases where the proceedings for the prosecution for any such offence have been instituted before the date of receipt of application for grant of such immunity:

Provided further that the recommendation of the Authority under this sub-section shall not be binding upon the Central Government.

(2) An immunity granted to a person under sub-section (1) may, at any time, be withdrawn by the Central Government, if it is satisfied that such person had, in the course of the proceedings, not complied with the condition on which the immunitity was granted or had given false evidence, and thereupon such person may be tried for the offence with respect to which the immunity was granted or for any other offence of which he appears to have been guilty in connection with the contravention and shall also become liable to the imposition of any penalty under this Ordinance to which such person would have been liable, had no such immunity been granted.

31. Exemption from tax on wealth, income, profits and gains.- Notwithstanding anything contained in-

(i) the Wealth Tax Act, 1957 (27 of 1957);

(ii) the income Tax Act, 1961 (43 of 1961), or

(iii) any other enactment for the time being in force relating to tax on wealth, income, profits or gains,

the Authority shall not be liable to pay wealth-tax, income-tax or any other tax in respect of its wealth, income, profits or gains derived.

32. Cognizance of offences by Court.- (1) No court shall take cognizance of any offence punishable under this Ordinance or any rules or regulations made thereunder, save on a complaint made by the Authority.

(2) No court inferior to that of a Court of Session shall try any offence punishable under this Ordinance.

33. Appeal to the Securities Appellate Tribunal.- (1) Any person aggrived by an order made by the Authority or by an adjudicating officer under this Ordinance may prefer an appeal before the Securities Appellate Tribunal which shall have jurisdiction over the matter.

(2) Every appeal under sub-section (1) shall be filed within a period of forty-five days from the date of receipt of the order appealed against and it shall be in such form and manner and shall be accompanied by such fee as may be prescribed:

Provided that the Securities Appellate Tribunal may entertain an appeal after the expiry of the said period, if it is satisfied that there was sufficient cause for not filing it within that period.

(3) On receipt of an appeal under sub-section (1), the Securities Appellate Tribunal may, after giving the parties to the appeal, an opportunity being head, pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against.

(4) The Securities Appellate Tribunal shall send a copy of every order made by it to the Authority, the parties to the appeal and to the adjudicating officers concerned.

(5) The appeal filed before the Securities Appellate Tribunal under sub-section (1) shall be dealt with by it as expeditiously as possible and endeavour shall be made by it to dispose of the appeal finaly within six months from the date on which the appeal is presented to it.

(6) Without prejudice to the provisions of sections 15T and 15U of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Appellate Tribunal shall deal with an appeal under this section in accordance with such procedure as may be as prescribed.

34. Civil court not to have jurisdiction.- No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which an adjudication officer appointed under this Ordinance or a Securities Appellate Tribunal is empowered by or under this Ordinance to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Ordinance.

35. Appeal to Supreme Court.- Any person aggrieved by any decision or order of the Securities Appellate Tribunal under this Ordinance may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Securities Appeallate Tribunal to him on any question of law arising out of such order:

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

CHAPTER-VIII

FINANCE, ACCOUNTS AND AUDIT

36. Grants by Central Government.- The Central Government may, after due appropriation made by Parliament by law in this behalf, made to the Authority grants of such sums of money as that Government may think fit for being utilised for the purposes of this Ordinance.

37. Constitution of Pension Regulatory and Development Fund.- (1) There shall be constituted a fund to be called the Pension Regulatory and Development Fund and there shall be credited thereto-

(a) all Government grants, fees and charges received by the Authority;

(b) all sums received by the Authority from such other source as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting-

(a) the salaries, allowances and other remuneration of the Chairperson and other members and officers and other employees of the Authority;

(b) other expenses of the Authority in connection with the discharge of its functions and for the purposes of this Ordinance.

38. Constitution of Subscriber Education and Protection Fund.- (1) The Authority shall establish a fund to be called the Subscriber Education and Protection Fund.

(2) There shall be credited to the Subscriber Education and Protection Fund the following amounts, namely:-

(a) grants and donations given to the Subscriber Eduation and Protection Fund by the Central Government, State Government, companies or any other institutions for the purposes of the Subscriber Education and Protection Fund;

(b) the interest or other income received out of the investments made from the Subscriber Education and Protection Fund;

(c) the sums realised by way of penalties by the Authority under section 26.

(3) The Subscriber Education and Protection Fund shall be administered and utilised by the Authority for protection of the interests of subscribers in accordance with regulations made for the purpose.

39. Accounts and Audit.- (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Authority shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Authority to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any other person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Authority.

(4) The Accounts of the Authority as certified by the Comptroller and Auditor General of India or any other person appointed by him in this behalf together with the audit-report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

CHAPTER-IX
MISCELLANEOUS

40. Power of Central Government to issue directions on issues of policy.- (1) Without prejudice to the foregoing provisions of this Ordinance, the Authority shall, in exercise of its powers or the performance of its functions under this Ordinance, by bound by such directions on questions of policy, other than those relating to technical and administrative matters, as the Central Government may give, in writing to it, from time to time:

Provided that the Authority shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government, whether a question is one of policy or not, shall be final.

41. Power of Central Government to supercede the Authority.- (1) If at any time the Central Government is of the opinion that-

(a) on account of circumstances beyond the control of the Authority, it is unable to discharge the functions or perform the duties imposed on it by or under the provisions of this Ordinance; or

(b) the Authority has persistently defaulted in complying with any direction issued by the Central Government that the Central Government is entitled to issue under this Ordinance or in the discharge of the functions or performance of the duties imposed on it by or under the provisions of this Ordinance and as a result of such default the financial position of the Authority or the administration of the Authority has deteriorated; or

(c) circumstances exist which render it necessary in the public interest so to do.

the Central Government may, by notification and for reasons to be specified therein, supersede the Authority for such period, not exceeding six months, as may be specified in the notification:

Provided that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Authority to make representations against the proposed supersession and shall consider the representations, if any, of the Authority.

(2) Upon the publication of a notification under sub-section (1) superseding the Authority-

(a) the Chairperson and other members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Ordinance, be exercised or discharged by or on behalf of the Authority shall, until the Authority is reconstituted under sub-section (3), be exercised and discharged by the Central Government; and

(c) all properties owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section (3), yest in the Central Government.

(3) On or before the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government shall reconstitute the Authority.

(4) The Central Government shall, as soon as may be, cause a copy of the notification issued under sub-section (1) and a full report of any action taken by it, to be laid before each House of Parliament.

42. Furnishing of returns, etc., to Central Government.- (1) The Authority shall furnish to the Central Government at such time and in such form and manner as may be prescribed, or as the Central Government may direct to furnish such returns, statements and other particulars in regard to any proposed or existing programme for the promotion and development of the pension industry as the Central Government may, from time to time, require.

(2) Without prejudice to the provisions of sub-section (1), the Authority shall, within nine months after the close of each financial year, submit to the Central Government a report giving a true and full account of its activities including the activities for promotion and development of schemes of pension funds regulated under this Ordinance during the previous financial year.

(3) Copies of the reports received under sub-section (2) shall be laid, as soon as may be, after they are received, before each House of Parliament.

43. Members, officers and employees of the Authority to be public servants.- The Chairperson and other members and officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Ordinance, to be public servants within the meaning of section 21 (45 of 1860) of the Indian Penal Code.

44. Protection of action taken in good faith.- No suit, prosecution or other legal proceedings shall lie against the Central Government or the Authority or any officer of Central Government or any member, officer or other employees of the Authority for anything which is in good faith done or intended to be done under this Ordinance or the rules or regulations made there under.

45. Offences by companies.- (1) Where an offence under this Ordinance has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such personliable to any punishment provided in this Ordinance if he proves that the offence was committed without his knowledge or that he has exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Ordinance has been committed by a company and it is proved that the offence has been committed with the consent of connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Explanation.- For the purposes of this section-

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

46. Power to make rules.- (1) The Central Government may, by notification, make rules for carrying out the provisions of this Ordinance.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provided for all or any of the following maters, namely:-

(a) the salary and allowances payable to and the other conditions of service of the Chairperson and whole-time members under sub-section (1) of section 7;

(b) the allowances payable to part-time members under sub-section (2) of section 7;

(c) the additional functions which may be performed by the Authority under clause (p) of sub-section (2) of section 14;

(d) any other matter in respect of which the Authority may exercise the powers of a civil court under clause (v) of sub-section (3) of section 14;

(e) the procedure to be followed by the authorised officer under sub-sections (10) of section 17;

(f) the form and manner in which an appeal may be filed before the Securities Appellate Tribunal and the fee which shall accompany such appeal, under sub-section (2) of section 33;

(g) the procedure to be followed by the Securities Appellate Tribunal in dealing with an appeal, under sub-section (6) of section 33;

(h) the form in which annual statement of accounts shall be maintained by the Authority under sub-section (1) of section 39;

(i) the time within which and the form and manner in which returns and reports are to be made by the Authority to the Central Government under sub-section (1) of section 42;

(j) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules.

47. Power to make regulations.- (1) The Authority may, by notification, make regulations consistent with this Ordinance and the made thereunder to carry out the provision of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:-

(a) the times and places of meetings of the Authority and the procedure to be followed at such meetings (including the quorum at such meetings) under sub-section (1) of section 10;

(b) the transactions of business at the meetings of the Authority under sub-section (5) of section 10;

(c) the terms and other conditions of service of the officers and other employees of the Authority under sub-section (2) of section 12;

(d) the regulations to be made by the Authority in respect of pension schemes referred to in clause (b) of sub-section (1) of section 13 and the time within which such schemes should conform to the regulations, made under sub-section (2) of that section;

(e) the establishing of mechanisms for redressing grievances of subscribers under clause (f) of sub-section (2) of section 14;

(f) the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by intermediaries under clause (n) of sub-section (2) of section 14;

(g) the duties and functions of central recordkeeping agency under sub-section (2) of section 21;

(h) the determination of compensation of fair value of the regulated assets payable to central recordkeeping agency under proviso to sub-section (3) of section 21;

(i) the manner of receiving contributions and instructions and transmitting them to the central recordkeeping agency and paying out the benefits to the subscribers, under sub-section (1) and the regulations governing functioning of points of presence under sub-section (2) of section 22;

(j) the manner in which a pension fund may receive contributions, accumulate them and make payments to the subscriber under sub-section (1), the number of pension funds under sub-section (2), the functioning of the pension fund under sub-section (3), and manner of managing the schemes by the pension fund under sub-section (4), of section 23;

(k) the form and manner in which an application for grant of certificate of registration shall be made and the fee which shall accompany such application under sub-section (2) of section 24;

(l) the conditions subject to which a certificate of registration may be granted to an intermediary under sub-section (3) of section 24;

(m) the procedure and manner of suspension or cancellation of certificate of registration of intermediaries under sub-section (4) of section 24;

(n) the procedure for holding inquiry by an adjudicating officer under sub-section (1) of section 27;

(o) the supersession of the governing board or board of directors of the intermediary under sub-section (2) of section 28.

(p) the manner of administering and utilising the Subscribers Education and Protection Fund under sub-section (3) of section 38;

(q) delegation of powers and functions of the Authority to Committees under sub-section (2) of section 50;

(r) any other matter which is required to be or may be specified by regulations or in respect of which provision is to be or may be made by regulations.

48. Rules and regulations to be laid before Parliament.- Every rule and every regulation made under this Ordinance shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

49. Power to remove difficulties.- (1) If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Ordinance as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Ordinance.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

50. Delegation of powers.- (1) The Authority may, by general or special order in writing, delegate to any member, officer of the Authority or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Ordinance (except the powers under section 47) as it may deem necessary.

(2) The Authority may, by a general or special order in writing, also form committees of the members and delegate to them the powers and functions of the Authority as may be specified by the regulations.

51. Application of other laws not barred.- The provisions of this Ordinance shall be in addition to and not in derogation of any other law for the time being in force.

52. Savings.- Anything done or any action taken by the Central Government under the Resolution of the Government of India in the Ministry of Finance number F.No.5/7/2003-ECB&PR dated the 10th October, 2003 and notification number F.No.5/7/2003-ECB&PR dated the 22nd December, 2003, shall be deemed to have been done or taken under the corresponding provisions of this Ordinance.

A.P.J. ABDUL KALAM,
President.
T.K. VISWANATHAN
Secy. to the Govt. of India.
ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶಾನುಸಾರ ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ,
ಕೆ. ನೀಲಕಂಠಾಚಾರ್
ಸಹಾಯಕ ಪ್ರಾರೂಪಕಾರ ಮತ್ತು ಪದನಿಮಿತ್ತ
ಸರ್ಕಾರದ ಅಧೀನ ಕಾರ್ಯದರ್ಶಿ (ಪ್ರಭಾರ),
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